

Public service deal: decision in February on deal that delivers up to 3.4%

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Key public service unions like SIPTU and Fórsa expect to have ballot results on the terms of the proposed new public service agreement, Building Momentum, in the second week of February.

Observers believe that the terms are likely to be accepted, especially at this time and given the fact that the pay deal is weighted in favour of the lower paid.

In addition, the restoration of previous overtime rates and 'twilight' payments and the new 'sectoral bargaining' element, promise further gains.

On top of these elements, union members can also look forward to further significant progress on their long standing goal of the rolling back of the "unpaid" Haddington Road Hours, starting in 2022.

BIGGER PICTURE

The basic pay terms of the deal are: a general round increase in annualised basic salary for all of 1% or €500, whichever is greater, on October 1, 2021, to be followed by a further general round increase of 1% or €500 on October 1, 2022. But the basic pay terms don't tell the full story.

These increases are worth more in percentage terms for those lower down the scale. For someone on a basic rate of €28,000 the basic increases will be worth 3.4%; for someone on €30,000 they are worth 3.3%; on €36,000 the value is 2.8%; on €44,000 it's worth 2.5%; on €48,000 it's 2.1%; and on €50,000 and over, it's 2%.

These general round increases will also apply to allowances that are in the nature of pay.

On July 1, 2021, the arrangements for twilight payments and tool allowance payments are to revert to those that existed pre-Haddington Road Agreement.

Regarding overtime, impacted by the HRA, rates will revert back on July 1, 2021, to their pre-HRA level (i.e. back to time and a half) – a significant gain.

JOINT AGREEMENT

Then there will be the "equivalent of a 1% increase in annualised basic salaries" to be used as a 'Sectoral Bargaining Fund', albeit in accordance with Chapter 2 of the agreement.

DPER explains that sectoral bargaining "relates to negotiations within sectors to progress reforms and resolve issues between the parties".

The sectoral bargaining units are to be agreed between unions/representative associations and sectoral management in consultation with DPER by end February 2021.

Management, unions/staff representative associations will decide how the fund will apply in each bargaining unit no later than the end of March 2021. They will then agree proposals, which must be submitted to DPER for verification, by end-June 2021.

Alternatively, groups can use the available allocation, or part of it, as a sectoral pay round. The payment date for the sectoral fund is February 1, 2022.

THE 'HRA HOURS'

The independent body that is to be established to examine the additional hours worked by public servants under the HRA, will produce a report by the end of this year.

The roll out of the recommendations will start within the lifetime of the agreement, "with €150 million available to commence implementation ... during 2022".

THE HOURS

The cost of this concession has been disputed over the years, the union side rejecting a government side exercise that found it would come to over €600m.

However, a well-placed source suggested to IRN that taking two examples, the benefits to union members can be seen. Were nurses, for example, to secure a reduction from 39 basic hours to 37.5 hours, this would be the equivalent of a 4% gain; in the case of admin staff in health, going from 37 hours back to 35 would mean a gain equivalent to 5.5%.

How these hours could be made up has yet to be worked out. At face value, more recruitment or more overtime – perhaps a combination of both – would be needed.

TEACHERS

Separately, "in light of the different arrangements for teachers that existed before 2011", a provision allows new entrant teachers to skip point 12 of the salary scale.

New entrant teachers who have already reached point 12 or higher on the salary scale, will on their next increment move one point further than they would under normal incremental progression.

RESTORATION COMMITMENTS

Meanwhile, under pay restoration agreed in the PSSA, (2018-2020), the FEMPI Act pay reductions will have been reversed by end 2020 for all public servants earning up to €70,000. And under the Public Service Pay and Pensions Act 2017, pay restoration for those on salaries under €150k must be restored to pre-FEMPI levels by July 1, 2021 and for those earning above €150k, by July 1, 2022.

Public servants who are due an amount of pay restoration in 2021 or 2022, respectively, will not receive the general round increase in that year. However, if the amount of restoration due is less than the general round increase, they will be paid the balance on the date of the general round increase, DPER has explained.

